

RESOLUTION NO. 74711

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING EDEN HOUSING, INC. AS THE DEVELOPER OF THE FORD & MONTEREY HOUSING DEVELOPMENT AND AUTHORIZING THE DIRECTOR OF HOUSING TO NEGOTIATE AND EXECUTE AN EXCLUSIVE NEGOTIATIONS AGREEMENT AND AN OPTION AGREEMENT

WHEREAS, in 2006, the City of San José (“City”) purchased the 3.05-acre vacant site, located on the north side of Ford Road one block east of Monterey Road, from the Valley Transit Authority in order to develop affordable housing for low-income households in the Ford Road area; and

WHEREAS, on April 16, 2008, the Housing Department issued a Request for Qualifications for development of a multifamily rental affordable housing project that would incorporate significant green building features, with 25% of the units targeted to extremely low-income households and 15% of units targeting special need households, for a financially viable development with an architectural design and function that would enhance the existing neighborhood; and

WHEREAS, of the six proposals received by the May 23, 2008 deadline, Eden Housing, Inc. (“Eden”) was determined by a selection panel including staff from the Housing Department, Planning Department, and the Redevelopment Agency to be the most qualified; and

WHEREAS, the Housing Department would negotiate an Option Agreement to agree not to sell the property to another entity while Eden is negotiating the terms of the Exclusive Negotiations Agreement (“ENA”) and is diligently pursuing necessary financing and land use approvals, but would allow the City to either sell or ground lease the property to the developer, depending on which alternative is determined to be the

most advantageous to the City, at an appropriate time and would also allow the City to terminate the option if required land use approvals or acceptable financing terms are not obtained; and

WHEREAS, the ENA and Option Agreement are proposed only to allow the preliminary planning for a possible affordable housing project at the site by Eden to continue to be explored by the parties; and

WHEREAS, the City desires to approve Eden as the developer for the Ford & Monterey affordable housing development and to authorize the Director of Housing to negotiate and execute an ENA and an Option Agreement for the purchase of the property from the City by Eden for development;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The selection of Eden Housing, Inc., or its designated affiliate, as the developer of the Ford & Monterey affordable housing development, as more specifically set forth in the Director of Housing report dated November 21, 2008, is hereby approved.
2. The Director of Housing is hereby authorized to negotiate and execute an Exclusive Negotiations Agreement and an Option Agreement for the purchase of the property from the City by Eden Housing, Inc., under which the City would agree to not sell the property to another entity while Eden Housing, Inc. is diligently negotiating the Exclusive Negotiations Agreement with the City and pursuing necessary land use entitlements and financing for an affordable housing project and which Option Agreement would also provide the City with the ability to terminate the option if land use entitlements are not obtained or financing terms cannot be reached, for the development of the Ford & Monterey

affordable housing project, as more specifically set forth in the Director of Housing report dated November 21, 2008.

ADOPTED this 9th day of December, 2008, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, CORTESE,
LICCARDO, NGUYEN, PYLE, WILLIAMS, REED.

NOES: OLIVERIO..

ABSENT: NONE.

DISQUALIFIED: NONE.

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk